

TUBE FAB / ROMAN
ENGINEERING CO. INC.

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SUPPLIER QUALITY MANUAL
REVISION: B



PARTNERS IN QUALITY

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1.0 ABOUT THIS MANUAL

1.1 Purpose

The purpose of this manual is to provide a standardized form of communication between TFRE and its suppliers in regards to our quality requirements.

1.2 Scope

This manual defines quality expectations, documentation requirements, procedures and practices required by suppliers. By entering in a supplier contract with TFRE, the supplier agrees to abide by the conditions of this manual.

2.0 QUALITY STATEMENT

2.1 TFRE Quality Statement

TUBE FAB / ROMAN ENGINEERING CO. INC. WILL WORK IN COOPERATION WITH ITS CUSTOMERS AND SUPPLIERS TO PROVIDE QUALITY PARTS WHICH CONSISTENTLY MEET OR EXCEED REQUIREMENTS AND EXPECTATIONS.

3.0 SUPPLIER DEVELOPMENT

3.1 Supplier Self Audit

All potential suppliers must complete a Vendor Self Audit Survey (Form QC-101-0012).

3.2 Supplier Quality Management System Certification

It is the goal of TFRE's supplier development program that each supplier be in conformity with ISO/TS 16949. Unless otherwise specified by TFRE's customers, suppliers to TFRE shall be registered to ISO 9001 by an accredited third-party certification body.

If a potential supplier is not certified to a minimum of ISO 9001, that supplier shall submit a plan to TFRE for attaining the ISO certification.

Suppliers shall provide TFRE with a copy of their current certification(s).

Special circumstances will be reviewed.

3.2.1 CQI Annual Self Assessments

Tube Fab complies with the yearly CQI assessments as directed by AIAG and expects their supplier base to do the same. Suppliers are required to submit their respective assessments annually.

3.3 Quality System Representative

The supplier shall appoint a qualified representative within the organization who has the responsibility and authority to identify and resolve quality matters.

3.4 Supplier Assessments

TFRE reserves the right to conduct quality system audits of its existing suppliers and new prospective suppliers. The need to conduct an on-site audit shall be determined by the procurement manager and/or the quality manager.

Factors to be considered when determining the need for an on-site audit include: criticality of the supplied part, the overall strength of the supplier's quality system, difficulty of manufacturing the part and the supplier's quality history. Supplier audits will be scheduled in advance so as not to create any major business interruptions for either TFRE or its supplier.

3.5 Verification of Purchased Product

TFRE reserves the right for its staff and/or customers to visit the supplier's premises to review the operation to ensure the product conforms to specified requirements. Reasonable advance notice shall be given by TFRE prior to such a visit.

TFRE conducts incoming inspections on PPAP submissions and production shipments of purchased parts. It is the goal of TFRE to NOT inspect incoming product

and to have the supplier to totally accept responsibility for the quality of the purchased part. TFRE inspects the first three shipments on all new products supplied. If NO defects are detected, then the supplier is put on the approved supplier list and future product is “dock to stock” which means, NO inspection at receiving. If problems are found at downstream operations, the supplier is moved to the probationary supplier list, and the cycle starts again. An SNR (Supplier Non-Conformance Report) will be generated for all non-conforming shipments.

4.0 HANDLING OF DEFECTS

4.1 Defects Discovered at TFRE

When defects are discovered at TFRE, an SNR (Supplier Non-Conformance Report) will be generated and sent to the supplier with samples.

Note: *A \$50.00 administration fee can be assessed to the supplier for generating the SNR.*

The supplier then has the option to replace the parts or provide support for sorting or authorize TFRE to perform the sort. In the event that TFRE must meet customer demands, TFRE will start sorting the product and the supplier will be charged accordingly. Initial containment activity must be submitted within 24 hours after the receipt of the SNR. The supplier has 10 days from the time they receive the samples to provide TFRE with disposition of the material. After 10 days, the material can be scrapped or

returned and the supplier will be debited for the defective parts.

The supplier must fill out the corrective action section on the SNR and return to TFRE within 10 days. If the supplier can not complete the CAR in 10 days, please contact TFRE and request an extension.

Note: *If TFRE associates are required to sort any supplier's products, the supplier shall incur a standard time charge. The current charge is \$35.00 per hour, per associate for any hour or portion of an hour of the associate's time.*

4.2 Defects Discovered by Supplier

When any defect is discovered by the supplier, the supplier shall inspect / test, for the purpose of repair or disposal of the suspect product. If the suspect product is in transit to TFRE, TFRE quality department must be notified immediately.

4.3 Defects Discovered at TFRE Customer Plant

When supplier defects are discovered at a TFRE customer's facility, the supplier will be asked to provide assistance to support production when needed.

5.0 PRODUCTION PART APPROVAL PROCESS

Note: TFRE supplies to a variety of customers including automotive customers. As such, TFRE must adhere to the requirements of the Production Part Approval

